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City and Town

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State Aid to Public Libraries in Massachusetts

by Dianne Carty, Massachusetts Board of Library Commissioners, Head of State Aid and Data Coordinator

Massachusetts is fortunate to have 371 public libraries in 348 of its 351 cities and towns. State aid to these public libraries is available to all municipalities that are certified annually by the Massachusetts Board of Library Commissioners (MBLC) as meeting a municipal appropriation requirement and certain minimum standards of free public library service. State Aid to Public Libraries consists of the Library Incentive Grant, the Municipal Equalization Grant and the Nonresident Circulation Offset.

The purpose of State Aid to Public Libraries is to:

- Encourage municipalities to support and improve public library service;
- Compensate for disparities among municipal funding capacities; and
- Offset the cost of circulating public library materials to residents of other certified Massachusetts communities.

Requirements

To be eligible for State Aid to Public Libraries, a municipality and its library must meet a municipal appropriation requirement (a current-year municipal appropriation for library services at least equal to the average of the prior three fiscal years' appropriations for library services, plus 2.5 percent) and have met certain minimum standards of public library service (including weekly hours of service, amount expended for library materials and the educational level of the library director), as detailed in M.G.L. Ch. 78 secs. 19A and 19B; 605 C.M.R. 4.01; and as amended by current budget language.

Funding

The FY01 appropriation for State Aid to Public Libraries was \$9,949,804. In FY01, 338 municipalities were certified and received State Aid to Public Libraries.

State Aid to Public Libraries Components

Library Incentive Grant (LIG). For municipalities with populations under 2,500, the LIG is "a sum equivalent to the amount appropriated by [the municipality] for free public library service during the preceding year, but in no event more than \$1,250." (M.G.L. Ch. 78 sec. 19A(1)). Municipalities with populations of more than 2,500 receive a LIG award based on a \$.50 per capita rate, which uses the census or current population estimates as mandated by the General Court. An additional \$1.5 million in state aid, over and above the statutory per capita, was appropriated for the LIG beginning in FY00. The result is \$.75 per capita and a threshold of \$1,865 for municipalities with populations under 2,500.

Municipal Equalization Grant (MEG). MEG awards are distributed to all certified municipalities using a calculation based on the state lottery formula. An additional \$1.5 million in state aid was appropriated for the MEG beginning in FY00.

Non-resident Circulation Offset (NRC). NRC Offset awards are distributed to municipalities whose libraries report circulation to patrons from other certified Massachusetts municipalities. The reimbursement is based on the number of nonresident transactions a li-

brary reports. In FY01, \$1,239,025 was awarded to public libraries with the reimbursement amount of 15.87 cents per transaction.

Disbursement of State Aid to Public Libraries

The MBLC typically begins reviewing applications at its November board meeting. After a municipality is certified to receive State Aid to Public Libraries at a monthly board meeting, MBLC authorizes disbursement of the money, which is normally combined in one payment.

In past years, there has been money left in the State Aid to Public Libraries account after the initial round of award payments because not all eligible municipalities apply for and receive state aid awards. The remaining money is distributed to eligible municipalities in a second round of payments in the spring.

The usual statutes and regulations implemented by the Department of Revenue concerning municipal finances apply to State Aid to Public Libraries awards. State budget language also requires that "any payment made under

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From the Deputy Commissioner

Schedule A is a detailed statement of revenues and expenditures that cities and towns must prepare and submit to

the Department of Revenue each fiscal year no later than October 31. Town accountants and city auditors usually are responsible for completing Schedule A. This information is added to the Division of Local Services' (DLS) Municipal Data Bank, and is used by many state agencies and the Legislature for research and analysis of various programs, including grants. DLS also provides Schedule A data to the U.S. Census Bureau for use by federal agencies.

General Law Chapter 59, Section 18F authorizes the Commissioner of Revenue to delay payment of state aid to cities and towns that miss the filing deadline. In January and May, DLS sent reminders to several communities advising them to submit these reports or face a delay in receiving local aid payments. Some communities complied with this notice. Others experienced delays in receiving their third and fourth quarter state aid payments because they still had not submitted Schedule A.

I urge cities and towns to make every effort to comply with the Schedule A filing deadline. Since we have reduced the size of the reports from 52 pages to 20, submission should be faster and easier. If your community experiences any problems with filing the Schedule A, your Bureau of Accounts field representative is available to offer assistance or answer questions regarding this matter.

Joseph J. Chessey, Jr.
Deputy Commissioner

Legal

in Our Opinion

Questions & Answers

by James Crowley

Q: *Can a town appropriate money for the maintenance of a library that is privately owned?*

A: Yes. Under the former provisions of M.G.L. Ch. 40 Sec. 5 Cl. 18, a municipality could appropriate money for the "establishment, maintenance or increase of a public library." Years ago, the Attorney General ruled that the phrase "public library" included a library under public control as well as any library to which the general public has free access. The term "free public library" refers to a library, wholly or in part under private control, which is open to the public. (6 Op. Atty. Gen. 1921, p. 18.) The Massachusetts Constitution also specifically permits the expenditure of public money for the maintenance and support of "free public libraries in any city or town." (Art. 18 as most recently amended by Art. 103.)

Q: *Can a town borrow money to pay a portion of the cost of a capital improvement to a library not owned by the town?*

A: No. M.G.L. Ch. 44 Sec. 7(3) permits a municipality to build a town library. There is no provision in municipal finance law, however, that would permit a community to build a library that it would not own. Unlike an appropriation for the operating budget of a free public library, the use of public money to construct an addition to the free public library would appear to violate the so-called Anti-Aid amendment to the Massachusetts Constitution (Art. 18 as

most recently amended by Art. 103). This state constitutional provision prohibits, with certain exceptions, the making of any grant, appropriation or use of public money or property or loan of credit to aid any charitable institution not controlled by public officers.

Q: *Can the town library trustees retain the gifts and trust funds donated for library purposes?*

A: Yes. As a general matter, the treasurer is the custodian of all municipal funds under M.G.L. Ch. 41 Sec. 35. All municipal departments are also generally required to turn over all receipts to the treasurer as set forth in M.G.L. Ch. 44 Sec. 53. There is an exception to this rule, however, when a donor of funds creates a public charitable trust with a specifically named board or committee as trustee. This exception was articulated in a court case of some years ago. That case concerned a bequest in a will to the trustees of the city library with the principal to be held and invested by the trustees and the income to be expended for the benefit of the library as the trustees deemed prudent. The city solicitor argued that the city treasurer should have custody of these funds. The Supreme Judicial Court disagreed. In the court's view, by the language in the will, the testator intended that the library trustees should be the custodians of the funds with full power of management and disposition in accordance with the terms of the bequest. *Trustees of the Public Library of Melrose v. City of Melrose*, 316 Mass. 584 (1944). ■

Focus

on Municipal Finance

2000 Equalized Valuation

by Regina McArdle and Donna Demirai

The Massachusetts Equalized Valuations (EQV) for 2000 reflect an 18.88 percent increase from the 1998 EQV. This article discusses the most recent study, its uses and results, and describes the historical trends in EQV.

Every even numbered year, the Commissioner of Revenue develops an estimate of the fair cash value of all taxable property in each city and town as of January 1, which is called the equalized valuation or EQV.¹ Its purpose is to allow for comparisons of municipal property values at one point in time, adjusting for differences in local assessing practices and revaluation schedules. There are three major uses for these "equalized" values: the allocation of certain state aid, the calculation of various state and county assessments to municipalities, and the determination of municipal debt limits.

EQV Methodology

Assessed values as of January 1, 1999 (FY00) served as the starting point for calculating the 2000 EQV. For residential property, the assessments of property that sold in the preceding year were compared to the sale price. The relationship of the value and the price of

arms-length sales was analyzed by property use. A composite assessment sales ratio was then determined for the entire class. For each city and town, the FY00 total residential assessed value was divided by this ratio to estimate the fair market value of all residential property. Since there were few arms-length sales of commercial and industrial properties, market appraisals, direct income capitalization information, and other sales and economic data were also used in estimating the fair market value of these classes.

A municipality's 2000 EQV is the sum of the estimated fair market value for each property class plus an estimate of new growth, resulting in values indicative of January 1, 2000. The Legislature adopted these final values in April 2001 as House Document No. 3033.

Uses of EQVs

EQVs are often used as an indicator of municipal wealth in local aid and assessment formulas. They are used in some distribution formulas so that communities with lower property values receive proportionately more aid than those with higher property values. In some assessment formulas they are used so that those with lower property values assume proportionately less of the cost than communities with higher property values. The 2000 EQVs will be used for the FY02 and FY03 Cherry Sheets. The local aid receipt programs using EQV are: Lottery, Public Libraries, Municipal Equalization Grants, Chapter 70, and School Construction Aid. Lottery aid, the second largest state aid program, uses EQV Per Capita specifically to determine how the annual lottery increases are to be allocated among

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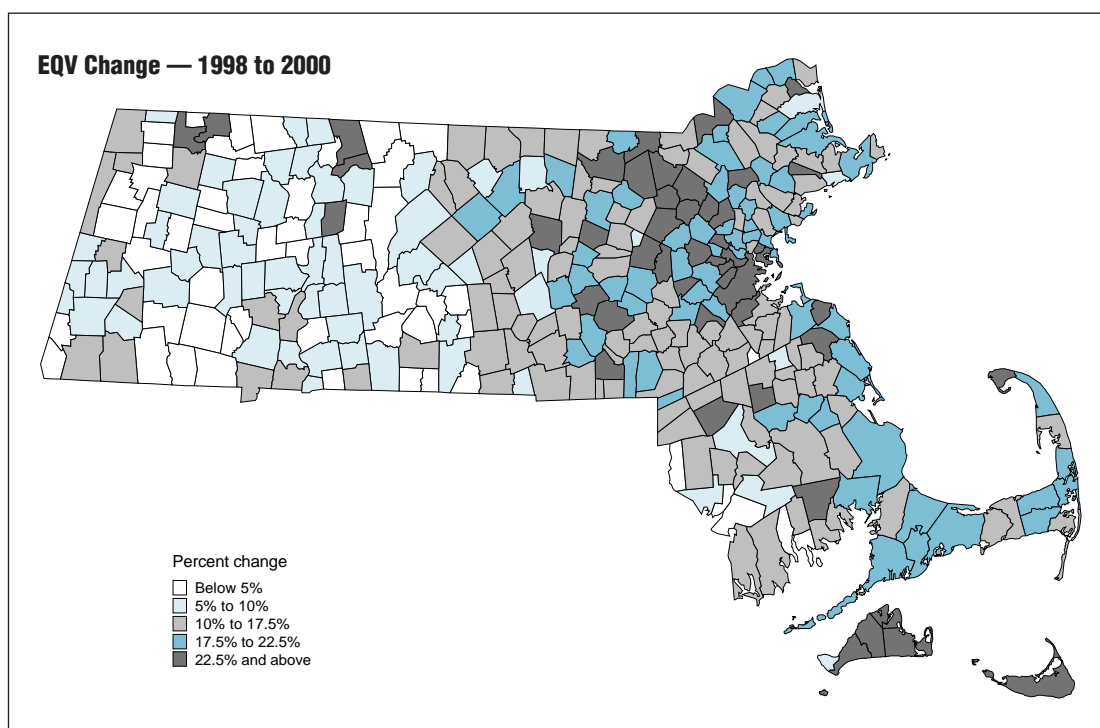


Figure 1

2000 Equalized Valuation

	1998 EQV	2000 EQV	98 to 00 EQV % change	2000 EQV per capita		1998 EQV	2000 EQV	98 to 00 EQV % change	2000 EQV per capita		1998 EQV	2000 EQV	98 to 00 EQV % change	2000 EQV per capita
Abington	759,319,700	819,100,200	7.87%	54,822	Chicopee	2,017,478,000	2,088,647,100	3.53%	38,858	Hancock	85,032,100	96,999,300	14.07%	254,591
Acton	1,867,427,500	2,122,387,100	13.65%	109,786	Chilmark	904,638,400	1,324,776,300	46.44%	1,668,484	Hanover	1,081,632,900	1,219,187,200	12.72%	90,498
Acushnet	454,254,900	508,031,800	11.84%	48,123	Clarksburg	62,812,200	68,496,800	9.05%	44,711	Hansen	520,393,800	607,900,900	16.82%	61,497
Adams	318,941,200	323,504,800	1.43%	37,227	Clinton	499,101,700	561,646,300	12.53%	42,649	Hardwick	120,204,000	131,284,200	9.22%	49,448
Agawam	1,471,926,500	1,694,442,700	15.12%	63,496	Cohasset	916,152,800	1,145,936,300	25.08%	161,082	Harvard	562,202,100	668,668,100	18.94%	56,811
Afford	94,855,400	103,836,300	9.47%	260,241	Colrain	89,445,300	93,607,000	4.65%	50,571	Harwich	1,774,872,300	2,105,331,300	18.62%	174,528
Amesbury	859,171,400	1,032,388,600	20.08%	63,957	Concord	2,436,119,900	3,060,527,200	25.63%	171,901	Hatfield	282,586,200	290,407,800	2.77%	89,428
Amherst	1,094,394,100	1,176,492,400	7.50%	32,256	Conway	116,320,000	127,221,700	9.37%	76,732	Haverhill	2,323,104,600	2,837,128,900	22.13%	51,096
Andover	3,523,811,700	4,268,662,500	21.14%	134,016	Cummington	63,675,100	61,284,200	-3.75%	77,970	Hawley	22,463,000	23,842,000	6.14%	73,814
Arlington	3,182,030,200	3,929,054,800	23.48%	90,744	Dalton	349,298,100	351,810,600	0.72%	52,112	Heath	45,573,900	47,781,100	4.84%	64,656
Ashburnham	266,606,300	299,339,500	12.28%	53,112	Danvers	2,167,339,400	2,584,976,200	19.27%	101,356	Hingham	2,191,461,700	2,588,869,000	18.13%	126,114
Ashby	192,583,500	159,324,400	14.59%	52,548	Dartmouth	2,140,901,200	2,376,604,300	11.01%	79,989	Hinsdale	113,648,800	124,752,500	9.77%	68,022
Ashfield	114,846,100	121,945,300	6.18%	70,407	Dedham	1,893,300,500	2,317,003,400	22.38%	98,241	Holbrook	524,863,600	593,119,300	13.00%	53,266
Ashland	965,638,700	1,178,968,100	22.09%	85,155	Deerfield	358,366,200	370,118,400	3.28%	72,289	Holden	894,934,000	1,002,369,900	12.00%	65,258
Athol	353,286,100	372,629,000	5.47%	32,630	Dennis	2,271,547,200	2,592,569,300	14.13%	174,419	Holland	135,963,200	156,634,200	0.43%	75,341
Attleboro	1,757,870,300	1,991,552,800	13.29%	49,911	Dighton	339,071,400	390,262,600	15.10%	65,546	Holliston	1,009,681,100	1,184,289,600	17.29%	86,641
Auburn	926,913,600	1,059,546,400	14.31%	66,941	Douglas	364,590,100	416,938,600	14.38%	58,691	Holyoke	1,257,077,100	1,453,572,800	15.63%	35,735
Avon	434,236,200	451,368,600	3.95%	98,060	Dover	1,010,805,100	1,219,884,500	20.68%	221,797	Hopkinton	292,626,600	337,792,300	15.43%	58,320
Ayer	570,214,600	646,673,800	13.41%	85,044	Dracut	1,283,735,500	1,494,819,200	16.44%	53,015	Hopedale	1,211,238,000	1,561,375,900	28.91%	134,024
Barnstable	5,168,638,100	6,118,649,700	18.38%	132,821	Dudley	393,148,000	442,375,500	12.52%	46,976	Hubbardston	177,714,400	211,064,500	18.77%	56,089
Barre	193,356,200	221,571,500	14.59%	44,483	Dunstable	214,676,500	257,291,900	19.85%	91,890	Hudson	1,058,347,200	1,227,248,900	15.96%	68,477
Becket	222,583,500	236,100,200	6.07%	155,739	Duxbury	1,578,071,900	1,892,795,900	19.94%	121,849	Hull	673,535,900	816,138,900	21.17%	77,279
Bedford	1,412,198,800	1,794,674,400	27.08%	130,058	E. Bridgewater	648,515,500	750,010,200	15.65%	58,480	Huntington	98,484,600	105,454,000	7.08%	49,416
Belchertown	611,075,300	642,945,600	5.22%	52,731	E. Brookfield	116,459,100	116,597,600	0.12%	57,240	Ipswich	1,113,370,500	1,319,589,000	18.52%	103,432
Bellingham	1,051,041,800	1,243,723,100	18.33%	77,772	E. Longmeadow	1,089,843,900	1,042,274,200	3.21%	74,822	Kingston	765,144,300	878,335,800	14.80%	78,243
Belmont	2,540,168,700	3,062,399,600	20.56%	128,943	Eastham	879,449,900	1,036,048,200	17.81%	201,057	Lakeville	632,319,500	732,880,000	15.90%	80,228
Berkley	302,142,300	347,791,500	13.45%	62,417	Easthampton	663,480,800	724,911,600	9.26%	46,887	Lancaster	348,558,900	409,390,400	17.45%	61,711
Berlin	228,258,100	271,095,100	18.77%	111,378	Easton	1,364,884,600	1,550,108,600	13.57%	71,941	Lanesborough	236,680,000	236,680,000	0.29%	78,449
Bernardston	108,640,200	114,390,800	5.29%	54,654	Edgartown	1,450,565,600	2,039,559,600	40.60%	537,575	Lawrence	1,198,684,000	1,450,497,800	21.01%	20,783
Beverly	2,616,644,400	3,068,041,100	17.25%	78,440	Egmont	204,939,400	211,583,000	3.24%	179,918	Lee	437,881,200	476,861,200	8.90%	85,367
Billerica	2,395,219,500	2,990,146,300	24.84%	74,941	Erving	140,752,300	602,573,900	328.11%	444,049	Leicester	415,122,200	459,021,600	10.58%	43,214
Blackstone	361,943,600	402,559,000	11.22%	47,550	Essex	338,417,500	387,296,700	14.47%	113,311	Lenox	485,932,200	540,845,400	11.30%	106,676
Blackford	79,900,800	81,434,900	1.92%	72,905	Everett	2,180,908,600	2,437,507,600	11.74%	70,098	Leominster	1,727,211,600	1,945,455,400	12.64%	48,205
Bolton	440,019,300	542,446,600	23.28%	159,449	Fairhaven	929,707,000	955,924,600	2.82%	59,816	Leverett	112,863,300	139,048,000	23.20%	75,120
Boston	35,853,362,600	45,856,307,300	27.91%	82,591	Fall River	2,927,188,100	2,700,554,400	-1.93%	31,700	Lexington	4,029,659,200	4,841,620,900	20.15%	163,662
Bourne	1,543,900,100	1,715,025,000	11.08%	93,569	Falmouth	3,653,965,400	4,606,596,800	19.53%	143,974	Leyden	39,724,400	43,701,300	10.01%	60,950
Boxborough	457,269,800	523,418,400	14.47%	126,674	Fitchburg	1,179,184,900	1,269,841,900	7.69%	31,426	Lincoln	1,006,836,400	1,195,989,800	18.79%	150,420
Boxford	889,907,100	1,025,881,000	15.28%	111,825	Florida	55,259,100	121,811,900	120.44%	172,783	Littleton	694,245,400	825,271,900	18.87%	101,012
Boylston	284,257,500	330,028,400	16.10%	83,785	Foxborough	1,189,724,400	1,338,723,600	12.52%	81,451	Longmeadow	1,216,791,100	1,304,613,000	7.22%	89,022
Braintree	2,720,639,100	3,063,928,900	12.62%	87,981	Framingham	4,233,536,500	5,075,655,400	19.89%	78,089	Lowell	2,713,255,400	3,126,381,800	15.23%	30,923
Brewster	1,199,120,800	1,427,451,000	19.04%	144,493	Franklin	2,036,847,400	2,478,622,600	21.69%	85,831	Ludlow	944,298,400	1,021,886,000	8.22%	53,713
Bridgewater	1,075,584,800	1,277,814,200	18.80%	51,554	Freetown	494,206,100	535,363,300	8.33%	60,268	Lunenburg	542,006,600	650,154,200	19.95%	69,084
Brimfield	179,292,800	201,108,600	12.17%	63,361	Gardner	617,076,000	653,616,700	5.92%	32,076	Manfield	1,472,798,900	1,700,340,200	15.45%	86,132
Brookline	2,894,652,600	3,330,760,700	15.07%	35,565	Aquinnah	195,219,200	213,941,400	9.59%	906,531	Marblehead	2,388,893,800	2,811,457,400	17.69%	140,097
Brookfield	119,382,000	129,320,000	8.32%	43,763	Georgetown	534,766,000	643,532,100	20.34%	82,972	Marion	1,150,816,600	1,335,119,500	16.01%	116,665
Brookline	5,637,538,000	7,371,209,100	30.75%	137,510	Gill	75,346,100	75,901,400	0.74%	48,624	Malden	2,136,555,600	2,563,266,200	19.97%	48,818
Buckland	100,807,800	104,840,800	4.00%	54,434	Gloucester	2,182,974,100	2,605,524,400	19.36%	87,598	Manchester	997,573,000	1,077,529,800	8.02%	195,169
Burlington	2,342,120,200	2,899,482,700	23.75%	122,625	Goshen	64,619,300	69,796,700	8.01%	89,140	Marshfield	1,770,864,300	2,093,081,700	18.20%	87,860
Cambridge	8,569,361,200	12,681,060,300	47.98%	136,441	Gosnold	94,465,800	112,572,800	19.10%	1,164,345	Mashpee	1,432,920,600	1,732,494,000	20.91%	177,074
Camden	1,883,189,000	2,134,909,700	13.37%	102,212	Grafton	754,816,200	881,688,600	16.81%	63,992	Mattapoisett	608,067,400	708,435,100	16.51%	110,383
Carlisle	646,085,300	828,690,400	28.26%	172,357	Granby	292,781,200	313,413,400	7.05%	52,861	Maynard	646,315,300	700,314,200	8.35%	66,869
Carver	536,249,600	611,841,100	14.10%	51,497	Granville	100,045,400	101,319,900	1.27%	71,102	Medford	1,143,475,100	1,326,929,700	16.04%	112,901
Charlton	68,337,100	70,977,000	3.86%	57,193	Grt. Barrington	548,707,300	595,773,400	8.58%	77,716	Medway	801,322,700	931,088,600	16.20%	78,356
Chatham	554,397,200	641,017,900	15.62%	60,806	Greenfield	762,981,700	808,619,600	5.98%	44,542	Melrose	1,702,010,600	2,032,450,400	19.41%	74,610
Chatham	1,814,375,400	2,059,343,100	13.50%	285,425	Groton	697,673,000	862,295,200	23.60%	91,665	Mendon	334,002,200	411,870,100	23.31%	84,625
Chelmsford	2,298,992,900	2,831,077,800	23.14%	83,555	Groveland	381,615,800	440,683,900	15.48%	74,015	Merrimack	320,047,900	379,068,300	18.44%	62,041
Chelsea	839,083,700	1,038,467,300	23.76%	37,866	Hadley	408,853,800	448,985,100	9.82%	100,467					
Cheshire	134,073,000	152,784,000	-0.84%	44,700	Halifax	360,794,300	431,568,100	19.62%	58,917					
Chester	67,070,700	70,342,100	4.88%	56,773	Hamilton	678,968,700	776,366,700	14.35%	102,480					
Chesterfield	67,279,300	71,709,800	6.59%	63,014	Hampden	278,054,300	309,140,800	11.18%	64,905					

	1998 EQV	2000 EQV	98 to 00 EQV % change	2000 EQV per capita		1998 EQV	2000 EQV	98 to 00 EQV % change	2000 EQV per capita		1998 EQV	2000 EQV	98 to 00 EQV % change	2000 EQV per capita
Methuen	1,959,211,600	2,408,465,100	22.93%	56,852	Princeton	243,801,400	274,385,100	12.54%	79,509	Tyngsborough	627,685,500	771,370,300	22.89%	73,352
Middleborough	986,109,100	1,124,479,800	12.89%	56,475	Provincetown	718,181,300	986,315,900	37.34%	299,967	Tyringham	79,940,200	88,000,200	10.08%	247,888
Middlefield	32,870,900	33,081,000	6.72%	78,306	Quincy	4,663,349,500	5,475,339,200	17.41%	63,832	Upton	510,387,500	510,387,500	0.00%	91,059
Middleton	634,652,900	760,460,300	19.82%	122,992	Randolph	1,480,000,600	1,692,059,500	14.33%	55,474	Uxbridge	600,462,400	700,183,400	16.61%	60,329
Milford	1,448,609,100	1,611,293,400	11.23%	62,193	Raynham	759,113,700	865,298,500	13.99%	79,378	Wakefield	1,871,739,500	2,229,938,700	19.14%	89,466
Millbury	573,552,400	644,188,400	12.32%	51,930	Reading	1,848,577,900	2,182,987,800	18.09%	93,334	Wales	80,949,400	78,704,300	-2.77%	50,843
Millis	504,400,400	667,843,000	32.89%	70,382	Rehoboth	671,154,800	746,823,800	11.27%	76,316	Walpole	1,708,689,400	2,001,530,200	17.14%	87,342
Milwille	118,790,300	134,314,500	13.07%	52,262	Revere	1,747,439,000	2,089,025,300	19.55%	50,040	Walworth	4,202,403,400	5,461,431,800	29.96%	93,144
Milton	1,898,079,500	2,340,901,000	23.33%	91,402	Richmond	181,803,600	195,672,500	7.63%	120,118	Waltham	388,648,600	408,545,500	5.12%	41,958
Monroe	19,778,500	19,801,700	0.12%	17,680	Rochester	306,110,700	375,365,400	22.62%	79,577	Ware	1,259,404,900	1,502,560,500	19.31%	75,502
Monson	386,067,700	408,255,800	6.01%	50,688	Rockland	852,906,600	980,011,200	14.90%	54,642	Warren	203,013,100	210,213,300	3.55%	45,679
Montague	402,912,600	428,621,600	6.38%	51,430	Rockport	810,246,500	940,259,300	16.05%	122,366	Warwick	38,714,900	39,201,200	1.26%	52,288
Monterey	166,958,100	180,751,800	8.26%	44,438	Rowe	153,145,200	424,730,000	177.34%	1,138,686	Washington	41,320,700	40,168,400	-2.79%	64,892
Montgomery	51,909,300	53,797,600	3.64%	72,798	Royalton	382,540,600	464,284,500	21.37%	84,956	Watertown	2,370,096,100	2,984,089,500	25.91%	92,447
Mt. Washington	34,920,100	35,033,100	0.32%	271,574	Royalston	58,282,600	60,141,100	3.19%	51,801	Wayland	1,580,612,800	1,981,775,600	25.38%	160,351
Nahant	319,729,600	377,383,500	18.03%	100,341	Russell	77,042,400	79,896,200	3.70%	49,811	Webster	705,170,500	748,448,300	6.14%	46,074
Nantucket	4,667,148,100	6,512,940,000	39.55%	793,680	Rutland	267,318,800	312,444,000	16.88%	55,645	Wellesley	4,279,350,300	5,266,642,800	23.07%	197,526
Natick	3,150,223,500	3,533,096,600	12.15%	111,825	Salem	2,174,217,600	2,472,012,500	13.70%	64,474	Wellfleet	765,329,900	870,896,100	13.79%	309,377
Needham	3,395,554,400	3,894,148,300	17.64%	143,509	Salisbury	563,260,100	641,226,400	13.84%	88,153	Wendell	41,111,800	44,590,700	8.46%	46,304
New Ashford	20,119,600	23,282,800	15.72%	119,399	Sandwich	123,849,100	124,849,200	0.81%	19,178	Wenham	379,379,800	470,155,300	23.93%	102,699
New Bedford	2,829,354,300	2,825,891,000	-0.12%	29,815	Sandwich	1,568,139,900	1,953,686,200	17.82%	101,813	W. Boylston	413,495,800	443,448,500	7.24%	65,667
New Braintree	49,508,700	53,505,400	8.07%	53,937	Saugus	1,989,806,600	2,328,938,000	17.04%	86,894	W. Bridgewater	500,391,300	635,389,300	26.99%	93,111
New Marlborough	180,449,700	206,220,700	14.28%	166,576	Savoy	37,415,400	41,354,400	10.53%	59,247	W. Brookfield	196,056,100	201,047,200	2.55%	53,684
New Salem	53,440,200	54,310,600	1.63%	65,991	Scituate	1,612,453,800	1,926,412,000	19.47%	108,953	W. Newbury	383,559,700	446,045,400	16.29%	109,809
Newbury	552,185,700	588,640,600	6.60%	95,157	Seekonk	1,049,163,300	1,096,072,700	4.47%	81,511	W. Springfield	1,358,149,700	1,487,866,700	9.55%	57,500
Newburyport	1,336,744,400	1,656,844,700	23.95%	198,189	Sharon	1,385,244,900	1,601,170,700	15.53%	94,542	W. Stockbridge	157,934,500	170,831,600	8.17%	118,798
Newton	9,926,932,200	12,028,714,200	21.17%	150,091	Sheffield	279,284,200	310,678,200	11.24%	105,315	W. Tisbury	647,326,000	918,314,000	41.86%	390,606
Norfolk	670,735,300	759,274,900	13.20%	70,206	Shelburne	118,825,100	126,242,100	6.24%	62,807	Westborough	1,667,271,000	2,123,381,700	27.36%	135,688
N. Adams	424,508,400	433,911,300	2.22%	27,906	Shelborn	644,845,300	752,949,700	16.76%	181,434	Westfield	1,718,739,200	1,840,663,700	7.09%	48,934
N. Andover	2,226,893,800	2,595,730,400	16.56%	95,137	Shirley	260,549,900	303,653,200	16.54%	41,079	Westford	1,705,081,600	2,103,356,100	23.36%	106,257
N. Attleborough	1,566,549,500	1,736,656,500	10.86%	66,890	Shrewsbury	1,994,689,800	2,388,870,700	19.76%	84,177	Westhampton	97,686,800	105,689,100	8.19%	72,340
N. Brookfield	187,984,700	197,034,300	4.81%	40,417	Shutesbury	113,876,000	118,576,300	4.13%	69,710	Westminster	411,067,300	488,674,200	18.88%	71,643
N. Reading	1,143,843,700	1,445,768,200	26.40%	108,492	Somerset	1,439,008,400	1,459,834,000	1.45%	82,156	Weston	2,267,712,300	2,744,892,500	21.04%	255,910
Northampton	1,591,616,500	1,591,616,500	0.00%	59,332	Somerville	3,170,880,300	3,858,210,300	21.68%	52,228	Westport	1,176,255,000	1,349,601,400	14.74%	94,272
Northborough	1,083,923,400	1,305,429,200	20.44%	96,634	S. Hadley	790,564,400	854,874,900	7.00%	49,388	Westwood	1,712,391,300	2,218,233,000	29.54%	167,806
Northbridge	593,948,400	698,895,100	17.67%	48,751	Southampton	290,848,400	321,618,600	10.58%	62,572	Weymouth	2,838,467,700	3,307,961,200	16.54%	60,490
Northfield	172,129,200	213,111,200	23.81%	71,755	Southborough	983,173,800	1,185,174,500	20.55%	147,557	Whately	120,805,700	125,337,600	3.75%	96,459
Norton	849,587,400	1,050,940,500	23.70%	64,590	Southbridge	552,791,800	567,282,000	2.62%	32,593	Whitman	578,402,000	671,570,100	16.11%	46,354
Norwell	1,049,001,400	1,302,184,700	24.14%	129,031	Southwick	478,181,200	530,178,000	10.87%	62,989	Wilbraham	880,739,000	951,567,900	8.04%	75,822
Norwood	2,161,759,400	2,436,838,800	11.69%	84,807	Spencer	491,438,700	546,219,700	11.15%	43,771	Williamsburg	160,803,300	160,216,900	-0.36%	60,482
Oak Bluffs	796,363,900	981,372,100	23.23%	299,747	Springfield	3,933,745,400	4,257,309,200	8.23%	28,919	Williamstown	527,623,100	585,601,400	10.99%	72,145
Oakham	91,318,500	99,552,900	9.02%	58,355	Sterling	451,394,600	557,552,800	23.52%	76,096	Wilmington	1,717,300,900	2,059,670,500	19.94%	96,833
Orange	245,222,200	255,381,900	4.14%	33,523	Stockbridge	374,469,000	403,639,300	7.79%	177,502	Winchendon	326,832,400	372,135,500	13.86%	39,767
Orleans	1,311,649,000	1,569,517,200	19.65%	243,525	Stoneham	1,517,097,700	1,779,255,000	17.28%	79,627	Winchester	2,439,200,800	2,869,200,600	17.63%	140,125
Otis	278,289,300	283,720,700	1.95%	269,953	Stoughton	1,589,716,000	1,794,449,500	12.88%	64,756	Windsor	58,917,800	62,526,600	6.13%	82,489
Oxford	557,110,200	630,163,500	13.11%	46,835	Stow	503,172,600	585,872,500	16.44%	99,452	Winthrop	825,455,300	993,710,100	20.38%	57,526
Palmer	571,254,400	563,909,200	-1.29%	47,692	Sturbridge	496,519,500	545,611,000	9.89%	67,251	Woburn	2,726,532,500	3,411,813,200	25.13%	91,179
Paxton	247,219,600	284,349,200	15.02%	64,420	Sudbury	1,966,475,300	2,415,283,300	22.82%	152,509	Worcester	5,536,578,100	6,010,162,400	8.55%	35,961
Peabody	3,534,645,400	4,069,719,500	15.14%	82,698	Sunderland	174,316,500	190,823,300	9.47%	54,273	Worthington	85,239,900	92,406,000	8.41%	76,054
Pelham	85,013,400	87,796,400	3.27%	61,612	Sutton	496,287,900	581,919,300	17.25%	75,788	Worthington	85,239,900	92,406,000	8.41%	76,054
Pembroke	1,056,225,200	1,219,134,900	15.42%	72,447	Swampscott	1,223,236,100	1,431,949,500	17.08%	104,006	Wrentham	921,063,000	921,063,000	0.00%	86,530
Pepperell	551,198,100	669,812,500	15.25%	60,425	Swansea	992,116,100	1,055,184,100	6.36%	68,138	Yarmouth	2,303,392,500	2,585,706,700	12.26%	111,979
Peru	40,601,000	42,363,600	4.34%	55,815	Taunton	2,597,354,000	2,597,354,000	0.00%	48,908	Totals	408,164,774,800	485,207,765,200	18.88%	76,574
Petersham	76,462,500	81,052,800	6.00%	68,864	Templeton	272,078,100	301,371,700	10.77%	301,371					
Phillipston	79,371,700	88,841,900	11.93%	61,653	Tewksbury	1,992,894,400	2,314,582,000	16.14%	79,769					
Pittsfield	2,046,640,800	2,045,080,400	-0.08%	45,149	Tisbury	703,100,500	876,099,800	24.61%	250,028					
Plainfield	51,685,600	50,314,200	-2.65%	81,945	Tolland	96,608,800	89,242,800	-8.66%	302,518					
Plainville	428,016,200	504,113,600	17.78%	67,126	Tonfield	623,117,900	705,473,000	13.22%	115,067					
Plymouth	3,500,046,100	4,167,400,800	19.07%	82,215	Townsend	428,091,000	499,957,500	16.79%	54,155					
Plympton	172,960,500	206,577,500	19.44%	75,864	Truro	646,739,500	780,283,000	20.65%	425,222					

Table 1

2000 Equalized Valuation

continued from page three

1998–2000 EQV Percent Change

Region	Counties	Residential % change	Commercial & Industrial % change	Personal Property % change	EQV overall % change
Northeast	Essex, Middlesex, Suffolk	21.65%	25.23%	14.14%	22.61%
Southeast	Bristol, Norfolk, Plymouth	16.46%	13.58%	13.36%	15.97%
Cape & Islands	Barnstable, Dukes, Nantucket	23.16%	17.70%	13.70%	22.60%
Central	Worcester	14.10%	10.96%	13.24%	13.79%
West	Berkshire, Franklin, Hampden, Hampshire	5.96%	16.93%	32.91%	8.95%
Totals		18.32%	20.32%	15.96%	18.88%

Table 2

communities. The assessments using EQV are: Boston's Metropolitan Transit Districts, the County Tax (in the remaining counties), Mosquito Control Projects and Air Pollution Control Districts. Information on the calculation of all distributions and charges can be found in the Cherry Sheet Manual.

Finally, EQV is used to compute municipal debt limits. The debt limit for cities is 2.5 percent of the latest EQV. For towns, it is set at 5 percent. Communities may petition the Emergency Finance Board to increase their debt limit (up to 5 percent for cities and 10 percent for towns). Although many borrowing purposes (e.g., water projects, land-fill closure and certain sewer projects, and school projects) are outside of this general debt limit, certain of these purposes have specific debt limitations also based on EQV.

Findings

The fluctuations in statewide EQV values over the years mirror the rise and fall of the Commonwealth's real estate market. The figures are, however, subject to a time-delay since the estimates are primarily tied to real estate prices of two years earlier. The EQVs peaked in

1990 at \$428 billion, after a continuous increase from the program's 1976 inception, which included a period of very rapid escalation between 1986 and 1990. In 1992, the first EQV decrease (8.6 percent) was seen, reflecting the beginning of the market decline of the early nineties. This downturn deepened in 1994. The 3 percent increase in 1996 could have indicated a slight market recovery. However, when adjusted for inflation, the 1996 EQV actually continued the downward trend. The 1998 values, with an increase of 8 percent, provided the first signal of a true market turnaround, both in actual and constant dollars. The latest EQV values reflect the strengthening of the market's upward movement. Converting the current total of \$485 billion to 1992 dollars, the adjusted value of \$418 billion actually surpasses the 1992 total of \$391 billion.

Between 1998 and 2000, increased EQV values occurred across the state, although the extent of the rise varied depending on region. Only a few scattered municipalities experienced a slight value decrease in either the actual or the per capita value. *Table 1* lists each municipality's 1998 EQV, 2000 EQV, the percentage change and

the 2000 EQV per capita (using 1999 population data). The two-year changes in EQVs are also presented graphically in the accompanying state map (*Figure 1*), which allows quick identification of regional differences. The greatest increases occurred in the eastern part of the state, particularly in the Northeast, and the Cape and Islands. The EQVs climbed the least in the West, except for communities in which electric generating facilities are located. Towns, such as Erving, Northfield, Rowe and Florida, are home to power plants that have had marked appreciation in value due to the electric generating industry deregulation.

Table 2 presents a detailed overview of these changes, highlighting geographic and property class patterns. Across the state, the major property classes rose at about the same rate. This is particularly noteworthy since in the 1980's escalating market, residential values significantly outpaced these classes. Again regional differences in class shifts can be seen. The least growth in commercial and industrial (C&I) values occurred in Bristol and Hampshire counties. Also, in Bristol, Dukes and Plymouth counties, residential classes outstripped the C&I changes. In the West, the large increase in commercial, industrial and personal property classes is primarily due to generating facilities in Franklin County. The escalation of values on Martha's Vineyard (Dukes County) and Nantucket, especially in the residential class, was responsible for much of the change in the Cape Cod area. The shift in the Northeast was characterized by a marked increase in both residential and commercial-industrial values in urban metropolitan Boston and its northwest corridor between Routes 495 and 128. Suffolk County, consisting chiefly of Boston and Chelsea, increased 27.3 percent overall. Values in Middlesex County rose 22.82 percent, led by the cities of Cambridge, Waltham, Watertown, and Woburn, as well as in such towns as Carlisle, Bedford, North Reading and Concord.

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DLS Update

Public Funds Prohibited

While a Proposition 2½ referendum effort may take on the trappings of a campaign, officials should make sure they do not try to influence voters using public funds. In 1978, the Supreme Judicial Court ruled in *Anderson v. City of Boston*, 376 Mass. 178, that public resources may not be used for political campaign purposes.

The *Anderson* restriction means that officials and candidates may not campaign using public funds. For example, a selectman seeking reelection may not use the city or town's paper and postage meter to send out campaign mailings. But the restriction also applies to any matter placed on the election ballot, including Proposition 2½ overrides and exclusions. *Anderson* strictly prohibits the use of public funds to distribute any material that seeks to influence voters.

In addition, the Secretary of the Commonwealth has ruled that the state Constitution prohibits the publicly-funded distribution of *any* material concerning a ballot question, even information that is considered "neutral," without express authorization by the Legislature.

A common example of material that raises *Anderson* questions is a flyer drafted by local officials advocating the passage of an override, whether or not the material explicitly asks for a vote. This type of flyer may not be distributed using public funds, such as postage.

Officials are free to prepare material concerning the subject matter of a ballot question using public resources as long as the question falls within their area of responsibility (e.g., a school department may prepare a report concerning its annual budget for which an override may be sought, but not con-

cerning construction of a police station for which a debt exclusion may be sought). The material may then be made available as a public record to those who ask for it or have questions about the ballot questions. The material should *not*, however, be distributed unsolicited to voters at public expense.

Public resources may not be used for political campaign purposes.

Despite the *Anderson* restriction, officials are free to discuss and adopt positions on ballot questions. For example, selectmen, city councilors and other boards may discuss and vote on a ballot question as part of their duties as elected officials or hold forums on the

question. Such official activity must stop short of using public resources to undertake campaign-style activities, however, such as sending out material intended to get a yes or no vote. That should be left to a ballot question committee, which may raise public funds to influence voters.

OCPF offers seminars on the use of public resources as part of its public outreach program. Contact Denis Kennedy, OCPF's Director of Public Information, at (617) 727-8352 or (800) 462-OCPF.

GASB 34 Update

In June of 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34, known more commonly as GASB 34. This statement is intended to make state and local government annual financial reports easier to understand and more useful to a wider range of users.

New requirements under GASB 34 include:

- Reporting on the overall state of the government's financial health;

- Providing more complete information on the cost of service delivery;
- Including information about public infrastructure assets; and
- Preparing an introductory narrative analyzing the government's financial performance.

GASB 34 takes effect in FY02 for governments where FY99 revenues were greater than \$100 million; in FY03 where FY99 revenues were between \$10 million and \$100 million; and in FY04 where FY99 revenues were less than \$10 million. Certain statement provisions take effect in later fiscal years.

In March of 2001, the Division of Local Services' Bureau of Accounts awarded a bid to Powers & Sullivan, Certified Public Accountants, to assist in writing a practical guide for implementing GASB 34 in Massachusetts counties, cities, towns and districts. The bureau expects to release this guide in late summer. ■

2000 EQV

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The changes in EQV between 1998 and 2000 demonstrate vividly the need for the local assessors to annually update values as needed. It is especially important to institute such a program in areas with lively and fluctuating real estate markets. The overall level of assessment in the 2000 EQV, was well within the Commonwealth's standard of full and fair cash valuation. However, several municipalities fell below this level. Annual updates promote greater property tax equity, both overall and between classes. Also, they can ameliorate the natural lag that occurs between changes in the real estate market and assessments. ■

1. M.G.L. Ch. 58, Secs. 9, 10, 10A, 10B, and 10C.

DLS Profile: BOA Field Representatives

The Bureau of Accounts (BOA) has assigned a member of its field staff to each city and town throughout the Commonwealth. BOA field staff assist communities with filing the tax recapitulation sheet and the Schedule A and with certifying tax rates and free cash. In addition, BOA field representatives routinely visit their assigned communities to lend technical assistance and answer questions on a number of topics relating to municipal finance.

Diane Dziura and **Barbara Dakin** have worked as BOA field representatives ever since the Division of Local Services began its field service program more than 10 years ago. Prior to working as part of the field staff, both Diane and Barbara worked for DLS as municipal auditors. Diane has worked for BOA for almost 23 years, while Barbara has been with the bureau for 16 years. As a matter of fact, Diane first met Barbara while conducting an audit in the Town of Rochester where Barbara worked as the town accountant. Not only do they work closely together in the Boston DLS office, they both represent communities in the southeastern region of the state.



Barbara Dakin and Diane Dziura of the Bureau of Accounts.



Barbara and Diane say that "it's the people" in the cities and towns that make their jobs interesting and enjoyable. From the following comments, it appears the local officials enjoy working with them as well.

"I have known Barbara for 16 years and it has been a pleasure to work with her through a wide range of issues. She has a keen understanding of the position of town accountant, and has always shown an outstanding level of knowledge, professionalism and patience. Barbara approaches every problem with a perfect balance of Department of Revenue and town accountant perspectives." — David Withrow, Finance Director, Orleans.

"Diane has been a real asset to the Town of Raynham. She is very knowledgeable and keeps things light and pleasant. Diane gives 110 percent all the time. If she does not have the answer, she'll get it right away. When Diane comes to the town hall, it's work, but it's fun work. Bristol County thinks the world of her!" — Maureen Monahan, Assistant Assessor, Raynham. ■

Libraries

continued from page one

this appropriation ... shall be expended by the public library ... without appropriation." (Ch. 159, Acts of 2000.)

Use of State Aid

In 2001, 356 libraries reported the various ways that they use their state aid. Nearly one-quarter (23.9 percent) use state aid for capital improvements and purchases. Collection development was reported by 219 libraries, or 61.5 percent of all responding. Libraries also reported using their state aid to supplement staffing, programs for adults, summer reading programs, and other operating expenses.

In FY00, State Aid to Public Libraries represented approximately 4 percent of all public library operating income.

Additional Public Library Data is available on the MBLC website at www.mlin.lib.ma.us. ■

City & Town

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Joan E. Gourke, Editor

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